

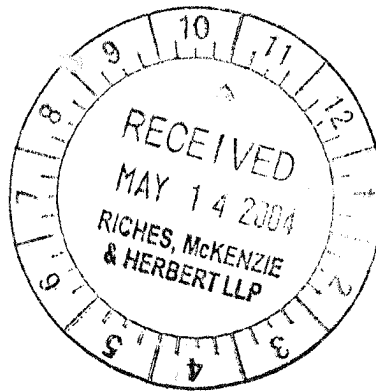


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May 12, 2004

**RICHES, MCKENZIE & HERBERT LLP**  
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**Application No. : 2,458,346**  
**Owner : DISCOVERY COMMUNICATIONS, INC.**  
**Title : ELECTRONIC BOOK SELECTION AND DELIVERY SYSTEM  
HAVING PURCHASE AND ACCOUNT MANAGEMENT  
FEATURES**  
**Classification : G06F-17/60**  
**Your File No. : P17604**  
**Examiner : Carla Carpinone**

**YOU ARE HEREBY NOTIFIED OF A REQUISITION BY THE EXAMINER IN ACCORDANCE WITH SUBSECTION 30(2) OF THE PATENT RULES. IN ORDER TO AVOID ABANDONMENT UNDER PARAGRAPH 73(1)(A) OF THE PATENT ACT, A WRITTEN REPLY MUST BE RECEIVED WITHIN SIX MONTHS AFTER THE ABOVE DATE.**

This application has been examined taking into account applicant's correspondence received in this office on April 15, 2004.

The number of claims in this application is 20.

A search of the prior art has revealed the following:

**References Applied**

*PCT Application*

92/12599                      23 July 1992                      H04N 7/173                      Yurt et al.

*European Patent Office Application*

0567800                      3 November 1993                      G06F 1/00                      Hartrick et al.

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YURT discloses a system for distributing video and audio information via standard telephone, cable or satellite broadcast channels. The information is received at a receiver specified by a subscriber of the service for later playback. Confirmation of the transmission is sent to a queue manager where the manager updates the list and sends information to a billing program. The billing program updates the account of the user.

HARTRICK discloses a data processing system and method to enforce payment of royalties when copying electronic books. The royalty payment program presents the user with a display of the royalty payment information stored in the softcopy book or in a file accompanying the book. The user must select the option of paying a royalty to the publisher before the royalty payment program permits a copy of the book to be made.

### ***Non-patentable subject matter***

In one aspect of the present invention, the subject matter relates to tracking purchases of electronic books by associating an amount of each purchase with a publisher of the corresponding book. In another aspect of the present invention, the subject matter relates to providing on-line accounts for purchases of electronic books and permitting the subscribers to access a corresponding account.

The two aspects of this application are carried out on a billing and collection system. The billing and collection system is merely a computer programmed to carry out the steps of the method. As stated in the description, "The billing and collection system performs transaction management, authorizations, collections and publisher payments automatically utilizing the telephone system." (Page 3, line 35 - page 4, line 2) These steps are commonly performed manually by a customer service agent. The method lends itself to implementation through commonplace computer technology. Mere automation by known computing technology cannot transform subject matter from a non-patentable to a patentable category. As such, the subject matter of this application is outside the definition of invention in Section 2 of the Patent Act, because it is directed to a mere scheme of billing and collecting.

Although there is not considered to be any patentable subject matter in this application, the following objections are made for completeness.

### ***Obviousness***

YURT teaches a billing and collecting system which electronically communicates with a viewer to update subscriber account information. The subject matter claimed would have been obvious having regard to YURT in view of the common knowledge of paying royalties to a

publisher for an electronic book as taught by HARTRICK to a person skilled in the art. As such, claims 1 to 20 do not comply with Section 28.3 of the Patent Act.

***Indefiniteness***

Claims 11 and 16 define an apparatus consisting of a billing and collecting system consisting of a computer for performing certain functions. Since a claim to a machine must be defined by structure, claims 11 and 16 are indefinite and do not comply with Subsection 27(4) of the Patent Act. Programming code is not a physical structure of a computer but represents the instructions and commands stored in the computer. The result stated in the wherein clause does not necessarily follow from the previously recited structure in claims 11 and 16, and is improper because it attempts to define the system in purely functional terms. Providing electronic books for purchase must be defined by the system architecture rather than by desired results. Claims 12-15 and 17-20 do not clarify the ambiguities by failure to further define the system. Claims 12-15 and 17-20 are also indefinite and do not comply with Subsection 27(4) of the Patent Act.

In view of the foregoing defects, the applicant is requisitioned, under Subsection 30(2) of the Patent Rules, to provide arguments as to why the application does comply.

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